STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

DEREGULATION OF LOCAL EXCHANGE SERVICES IN COMPETITIVE MARKETS

DOCKET NO. INU-04-1

ORDER ESTABLISHING BRIEFING SCHEDULE AND SCHEDULING ORAL ARGUMENT

(Issued September 9, 2004)

On May 7, 2004, the Utilities Board (Board) initiated this notice and comment proceeding to consider whether local exchange service to business and residential customers in certain lowa communities is subject to effective competition and should be deregulated pursuant to lowa Code § 476.1D (2003) and 199 IAC 5.3(1).

On August 24, 2004, an oral comment proceeding was commenced for the purpose of taking sworn testimony concerning pre-filed statements and counterstatements of position by interested participants. At the close of the proceeding, the Board stated that it would issue an order outlining a post-hearing briefing schedule and possibly establishing a date for oral argument on the issues in this docket.

Any participant wishing to file a post-hearing brief may do so on or before October 4, 2004. The Board notes that while it has both requested and received information regarding issues that may be peripheral to the Board's decision in this

docket, post-hearing briefs should be limited to the following issues that are to be determined in this docket:

- 1. The proposed deregulation of business and residential local exchange service in the Council Bluffs market;¹
- 2. The proposed deregulation of business service in the Sioux City market;²
- 3. The proposed deregulation of all local exchange service in the overbuilt exchanges identified in the May 7, 2004, order;
- 4. The possible use of a market-monitoring mechanism after deregulation; and,
- 5. The status of competition with respect to residential secondary lines throughout lowa.

In lieu of reply briefs, the Board will grant the participants an opportunity to present oral argument before the Board involving the issues discussed in the initial briefs on October 19, 2004, at 10 a.m. in the Board's hearing room at 350 Maple Street, Des Moines, Iowa 50319-0069. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Board at 515-281-5256 in advance of the scheduled date to request that appropriate arrangements be made.

¹ For purposes of this proceeding, the Council Bluffs market includes the Loveland and Wilson communities.

² For purposes of this proceeding, the Sioux City market includes the James and Westfield communities.

IT IS THEREFORE ORDERED:

- 1. Any participant may file a post-hearing brief as described in this order on or before October 4, 2004.
- 2. An oral argument before the Board involving the issues discussed in the initial briefs will be held on October 19, 2004, at 10 a.m. in the Board's hearing room at 350 Maple Street, Des Moines, Iowa 50319-0069.

	UTILITIES BOARD
ATTEST:	/s/ Mark O. Lambert
/s/ Judi K. Cooper Executive Secretary	/s/ Elliott Smith

Dated at Des Moines, Iowa, this 9th day of September, 2004.